

By: Williams

S.B. No. 724

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 133; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8457 to read as follows:

CHAPTER 8457. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 133

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8457.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Montgomery County Municipal Utility District No. 133.

Sec. 8457.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8457.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

1       Sec. 8457.004. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section 8457.003  
3 until each municipality in whose corporate limits or  
4 extraterritorial jurisdiction the district is located has  
5 consented by ordinance or resolution to the creation of the  
6 district and to the inclusion of land in the district.

7       Sec. 8457.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

8       (a) The district is created to serve a public purpose and benefit.

9       (b) The district is created to accomplish the purposes of:

10           (1) a municipal utility district as provided by  
11 general law and Section 59, Article XVI, Texas Constitution; and

12           (2) Section 52, Article III, Texas Constitution, that  
13 relate to the construction, acquisition, improvement, operation,  
14 or maintenance of macadamized, graveled, or paved roads, or  
15 improvements, including storm drainage, in aid of those roads.

16       Sec. 8457.006. INITIAL DISTRICT TERRITORY. (a) The  
17 district is initially composed of the territory described by  
18 Section 2 of the Act enacting this chapter.

19       (b) The boundaries and field notes contained in Section 2 of  
20 the Act enacting this chapter form a closure. A mistake made in the  
21 field notes or in copying the field notes in the legislative process  
22 does not affect the district's:

23           (1) organization, existence, or validity;

24           (2) right to issue any type of bond for the purposes  
25 for which the district is created or to pay the principal of and  
26 interest on a bond;

27           (3) right to impose a tax; or

1           (4) legality or operation.

2                   SUBCHAPTER B. BOARD OF DIRECTORS

3           Sec. 8457.051. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 8457.052, directors serve  
6 staggered four-year terms.

7           Sec. 8457.052. TEMPORARY DIRECTORS. (a) On or after the  
8 effective date of the Act enacting this chapter, the owner or owners  
9 of a majority of the assessed value of the real property in the  
10 district may submit a petition to the commission requesting that  
11 the commission appoint as temporary directors the five persons  
12 named in the petition. The commission shall appoint as temporary  
13 directors the five persons named in the petition.

14           (b) Temporary directors serve until the earlier of:

15                   (1) the date permanent directors are elected under  
16 Section 8457.003; or

17                   (2) the fourth anniversary of the effective date of  
18 the Act enacting this chapter.

19           (c) If permanent directors have not been elected under  
20 Section 8457.003 and the terms of the temporary directors have  
21 expired, successor temporary directors shall be appointed or  
22 reappointed as provided by Subsection (d) to serve terms that  
23 expire on the earlier of:

24                   (1) the date permanent directors are elected under  
25 Section 8457.003; or

26                   (2) the fourth anniversary of the date of the  
27 appointment or reappointment.

1       (d) If Subsection (c) applies, the owner or owners of a  
2 majority of the assessed value of the real property in the district  
3 may submit a petition to the commission requesting that the  
4 commission appoint as successor temporary directors the five  
5 persons named in the petition. The commission shall appoint as  
6 successor temporary directors the five persons named in the  
7 petition.

8                   SUBCHAPTER C. POWERS AND DUTIES

9       Sec. 8457.101. GENERAL POWERS AND DUTIES. The district has  
10 the powers and duties necessary to accomplish the purposes for  
11 which the district is created.

12       Sec. 8457.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
13 DUTIES. The district has the powers and duties provided by the  
14 general law of this state, including Chapters 49 and 54, Water Code,  
15 applicable to municipal utility districts created under Section 59,  
16 Article XVI, Texas Constitution.

17       Sec. 8457.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
18 52, Article III, Texas Constitution, the district may design,  
19 acquire, construct, finance, issue bonds for, improve, operate,  
20 maintain, and convey to this state, a county, or a municipality for  
21 operation and maintenance macadamized, graveled, or paved roads, or  
22 improvements, including storm drainage, in aid of those roads.

23       Sec. 8457.104. ROAD STANDARDS AND REQUIREMENTS. (a) A  
24 road project must meet all applicable construction standards,  
25 zoning and subdivision requirements, and regulations of each  
26 municipality in whose corporate limits or extraterritorial  
27 jurisdiction the road project is located.

1       (b) If a road project is not located in the corporate limits  
2 or extraterritorial jurisdiction of a municipality, the road  
3 project must meet all applicable construction standards, zoning and  
4 subdivision requirements, and regulations of each county in which  
5 the road project is located.

6       (c) If the state will maintain and operate the road, the  
7 Texas Transportation Commission must approve the plans and  
8 specifications of the road project.

9       Sec. 8457.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
10 OR RESOLUTION. The district shall comply with all applicable  
11 requirements of any ordinance or resolution that is adopted under  
12 Section 54.016 or 54.0165, Water Code, and that consents to the  
13 creation of the district or to the inclusion of land in the  
14 district.

15               SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16       Sec. 8457.151. ELECTIONS REGARDING TAXES OR BONDS. (a)  
17 The district may issue, without an election, bonds and other  
18 obligations secured by:

- 19               (1) revenue other than ad valorem taxes; or  
20               (2) contract payments described by Section 8457.153.

21       (b) The district must hold an election in the manner  
22 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
23 before the district may impose an ad valorem tax or issue bonds  
24 payable from ad valorem taxes.

25       (c) The district may not issue bonds payable from ad valorem  
26 taxes to finance a road project unless the issuance is approved by a  
27 vote of a two-thirds majority of the district voters voting at an

1 election held for that purpose.

2 Sec. 8457.152. OPERATION AND MAINTENANCE TAX. (a) If  
3 authorized at an election held under Section 8457.151, the district  
4 may impose an operation and maintenance tax on taxable property in  
5 the district in accordance with Section 49.107, Water Code.

6 (b) The board shall determine the tax rate. The rate may not  
7 exceed the rate approved at the election.

8 Sec. 8457.153. CONTRACT TAXES. (a) In accordance with  
9 Section 49.108, Water Code, the district may impose a tax other than  
10 an operation and maintenance tax and use the revenue derived from  
11 the tax to make payments under a contract after the provisions of  
12 the contract have been approved by a majority of the district voters  
13 voting at an election held for that purpose.

14 (b) A contract approved by the district voters may contain a  
15 provision stating that the contract may be modified or amended by  
16 the board without further voter approval.

17 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

18 Sec. 8457.201. AUTHORITY TO ISSUE BONDS AND OTHER  
19 OBLIGATIONS. The district may issue bonds or other obligations  
20 payable wholly or partly from ad valorem taxes, impact fees,  
21 revenue, contract payments, grants, or other district money, or any  
22 combination of those sources, to pay for any authorized district  
23 purpose.

24 Sec. 8457.202. TAXES FOR BONDS. At the time the district  
25 issues bonds payable wholly or partly from ad valorem taxes, the  
26 board shall provide for the annual imposition of a continuing  
27 direct ad valorem tax, without limit as to rate or amount, while all

1 or part of the bonds are outstanding as required and in the manner  
2 provided by Sections 54.601 and 54.602, Water Code.

3 Sec. 8457.203. BONDS FOR ROAD PROJECTS. At the time of  
4 issuance, the total principal amount of bonds or other obligations  
5 issued or incurred to finance road projects and payable from ad  
6 valorem taxes may not exceed one-fourth of the assessed value of the  
7 real property in the district.

8 SECTION 2. The Montgomery County Municipal Utility District  
9 No. 133 initially includes all the territory contained in the  
10 following area:

11 BEING 342.842 acres of land located in the Elijah Collard  
12 Survey, Abstract Number 7 and the Martin P. Clark Survey, Abstract  
13 Number 148, Montgomery County, Texas being all of the Foster  
14 Collard Tract Area 1, all of the Foster Collard Tract Area 2, all of  
15 the Foster Collard Tract Area 3 and a part of the Foster Clark Tract  
16 described in the Development Agreement of record under File Number  
17 2010019564 in the Official Public Records of Montgomery County,  
18 Texas (M.C.O.P.R.), said 342.842 acres being more particularly  
19 described by metes and bounds (in three parts) as follows, all  
20 bearings are referenced to the Silver City Colored Subdivision, a  
21 subdivision of record in Volume 5, Page 7 of the Map Records of  
22 Montgomery County, Texas (M.C.M.R.):

23 TRACT ONE - 20.64 ACRES

24 BEGINNING at the northwest corner of said Foster Collard  
25 Tract Area 1, same being the northwest corner of the herein  
26 described tract;

27 Thence, South 75° 00' 00" East, along the north line of said

1 Foster Collard Tract Area 1, 2,064.36 feet to a point for the  
2 northeast corner of the herein described tract, same being the  
3 northeast corner of said Foster Collard Tract Area 1 on the west  
4 line of Longmire Road;

5 Thence, South 10° 40' 00" West, along said west line, 433.33  
6 feet to a point for the southeast corner of the herein described  
7 tract, same being the southeast corner of said Foster Collard Tract  
8 Area 1 on the north line of League Line Road;

9 Thence, North 75° 00' 00" West, along said north line,  
10 2,097.10 feet to a point for the southwest corner of the herein  
11 described tract, same being the southwest corner of said Foster  
12 Collard Tract Area 1;

13 Thence, North 15° 00' 00" East, along the west line of said  
14 Foster Collard Tract Area 1, 432.09 feet to the POINT OF BEGINNING  
15 and containing 20.640 acres of land.

16 TRACT TWO - 297.286 ACRES

17 BEGINNING at the northwest corner of the aforementioned  
18 Foster Collard Tract Area 2, same being the northwest corner of the  
19 herein described tract on the east line of Longmire Road;

20 Thence, South 75° 00' 00" East, along the north line of said  
21 Foster Collard Tract Area 2, 2,145.72 feet to a point for the  
22 northeast corner of said Foster Collard Tract Area 2 on the west  
23 line of the aforementioned Foster Clark Tract, same being the  
24 common survey line between the aforementioned Collard and Clark  
25 Surveys;

26 Thence, North 15° 00' 00" East, along said west line and said  
27 common line, 4,616.66 feet to a point for the northwest corner of

1 the herein described tract;

2 Thence, over and across said Foster Clark Tract the following  
3 for (4) courses;

4 1) South  $76^{\circ} 33' 47''$  East, 842.01 feet to a point for corner,  
5 the beginning of a non-tangent curve to the right;

6 2) Along the arc of said curve to the right having a radius  
7 of 500.00 feet, a central angle of  $31^{\circ} 45' 29''$ , an arc length of  
8 277.14 feet and a chord that bears South  $61^{\circ} 27' 52''$  East, 273.61  
9 feet to a point for corner at the end of said curve;

10 3) North  $50^{\circ} 44' 32''$  East, 880.76 feet to a point for corner;

11 4) South  $27^{\circ} 18' 48''$  East, 2,162.16 feet to a point for the  
12 northeast corner of the herein described tract on an east line of  
13 the aforementioned Foster Clark Tract, same being the west line of  
14 the Final Plat of Teas Lakes Section Four, a subdivision of record  
15 in Cabinet Y, Sheet 180-181, M.C.M.R.;

16 Thence, South  $10^{\circ} 00' 00''$  West, along said east line, said  
17 west line and the west line of the Final Plat of Teas Lakes Section  
18 Three, a subdivision of record in Cabinet W, Sheet 188-189,  
19 M.C.M.R., 2,116.14 feet to a point for corner;

20 Thence, North  $75^{\circ} 00' 00''$  West, continuing along said east  
21 line 1,797.56 feet to a point for corner;

22 Thence, South  $10^{\circ} 00' 00''$  West, continuing along said east  
23 line 2,033.85 feet to a point for the southeast corner of the herein  
24 described tract, same being the southeast corner of the  
25 aforementioned Foster Clark Tract on the north line of League Line  
26 Road, same being the south line of said Foster Clark Tract;

27 Thence, North  $75^{\circ} 00' 00''$  West, along said north line, passing

1 the common south corner of said Foster Clark Tract and the  
2 aforementioned Foster Collard Tract Area 2 at 1,641.86 feet and  
3 continuing a total of 3,640.86 feet to a point for the most  
4 southerly southwest corner of the herein described tract, same  
5 being the most southerly southwest corner of the aforementioned  
6 Foster Collard Tract Area 2 and being at the southeast end of a  
7 corner cut-back line;

8 Thence, North 32° 10' 00" West, along said corner cutback  
9 line, 166.00 feet to a point for the most westerly southwest corner  
10 of the herein described tract, same being the most westerly  
11 southwest corner of said Foster Collard Tract Area 2 on the  
12 aforementioned east line of Longmire Road, same being the west line  
13 of said Foster Collard Tract Area 2;

14 Thence, North 10° 40' 00" East, along said east line, 330.69  
15 feet to the POINT OF BEGINNING and containing 312.286 acres of land,  
16 SAVE AND EXCEPT that certain called 15.000 acre tract of land  
17 conveyed to Willis Independent School District by the instrument of  
18 record under File Number 2011027871, M.C.O.P.R., leaving a  
19 remainder of 297.286 acres.

20 TRACT THREE - 24.916 ACRES

21 BEGINNING at the most northerly northwest corner of the  
22 aforementioned Foster Collard Tract Area 3, same being the most  
23 northerly northwest corner of the herein described tract on the  
24 south line of League Line Road, same being the north line of said  
25 Foster Collard Tract Area 3;

26 Thence, South 75° 00' 00" East, along said south line,  
27 1,999.00 feet to a point for the northeast corner of the herein

1 described tract, same being the northeast corner of said Foster  
2 Collard Tract Area 3 on the east line of said Foster Collard Tract  
3 Area 3, same being the common line between the aforementioned  
4 Collard Survey and the J. Edwards Survey, Abstract Number 190;

5 Thence, South 15° 00' 00" West, along said east line and said  
6 common line, 520.44 feet to a point for the southeast corner of the  
7 herein described tract, same being the southeast corner of said  
8 Collard Survey;

9 Thence, North 75° 00' 00" West, along the south line of said  
10 Foster Collard Tract Area 3 and said common line, 2,079.44 feet to a  
11 point for the southwest corner of the herein described tract, same  
12 being the southwest corner of said Foster Collard Tract Area 3 on  
13 the east line of Longmire Road, same being the west line of said  
14 Foster Collard Tract Area 3;

15 Thence, North 10° 40' 00" East, along said east line, 402.06  
16 feet to a point for the most westerly northwest corner of the herein  
17 described tract, same being the most westerly northwest corner of  
18 said Foster Collard Tract Area 3 and being at the southwest end of a  
19 corner cut-back line;

20 Thence, North 57° 50' 00" East, along said corner cut-back  
21 line, 163.00 feet to the POINT OF BEGINNING and containing 24.916  
22 acres of land.

23 Said Tract 1, Tract 2 and Tract 3 containing a total of  
24 342.842 acres of land.

25 SECTION 3. (a) The legal notice of the intention to  
26 introduce this Act, setting forth the general substance of this  
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,  
2 officials, or entities to which they are required to be furnished  
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
4 Government Code.

5 (b) The governor, one of the required recipients, has  
6 submitted the notice and Act to the Texas Commission on  
7 Environmental Quality.

8 (c) The Texas Commission on Environmental Quality has filed  
9 its recommendations relating to this Act with the governor, the  
10 lieutenant governor, and the speaker of the house of  
11 representatives within the required time.

12 (d) All requirements of the constitution and laws of this  
13 state and the rules and procedures of the legislature with respect  
14 to the notice, introduction, and passage of this Act are fulfilled  
15 and accomplished.

16 SECTION 4. (a) If this Act does not receive a two-thirds  
17 vote of all the members elected to each house, Subchapter C, Chapter  
18 8457, Special District Local Laws Code, as added by Section 1 of  
19 this Act, is amended by adding Section 8457.106 to read as follows:

20 Sec. 8457.106. NO EMINENT DOMAIN POWER. The district may  
21 not exercise the power of eminent domain.

22 (b) This section is not intended to be an expression of a  
23 legislative interpretation of the requirements of Section 17(c),  
24 Article I, Texas Constitution.

25 SECTION 5. This Act takes effect immediately if it receives  
26 a vote of two-thirds of all the members elected to each house, as  
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2013.